SOCIAL ACTION DIGEST

Vol. III, No. 3 March 1960

CATHOLICS AND ATOMIC WAR

by Rev. Paul Crane, S. J.

- Should Christians refuse to fight?
- Are we helpless before a ruthless enemy?
- What is wrong with Pacifism?

Reprinted with permission from "Catholics and Nuclear War," by P. Crane, S.J., in THE MONTH (31 Farm St., London W.1), Oct.1959, p.223 f.

The Catholic authors of a recent symposium(*1) on the moral problems of modern war reveal themselves as adherents of what can best be described as the standpoint of relative pacifism. Of it the distinguished Jesuit theologian, Fr.John Courtney Murray, wrote some months ago:

"It does not assert that war is intrinsically evil simply because it is a use of force and violence and therefore a contravention of the Christian law of love promulgated in the Sermon on the Mount. This is absolute pacifism, an unqualified embrace of the principle of non-violence; it is more characteristic of certain Protestant sects. The relative pacifists are content to affirm that war has now become an evil that may no longer be justified, given the fact that no adequate

*1. MORALS AND MISSILES, edited by Charles S. Thompson, with an introduction by Michael de la Bedoyere (James Clarke and Co., Ltd.)

IN THIS ISSUE

Catholics and Atomic War ..... Paul Crane, S.J.
The Image Industries ..... William P. Lynch, S.J.
Women, Words and Wisdom ..... Solange Hertz
Why I Swear ..... P.R.R. Holy Name Society
50 Years of Credit Union Operations ..... Ronald Gardner
A Fair Share for Every Child ... Citizens for Educational Freedom

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justification can be offered for the ruinous effects of today's weapons of war."(*1)

The purpose of this article is to investigate the case for relative pacifism as put forward by the authors of this essay.

Unjustifiable War?

It is set forth clearly and uncompromisingly by Mr. E. I. Watkin in his contribution, which is called "Unjustifiable War." He takes the case of a Communist war of aggression waged to dominate the world. He agrees that armed defence against it would fulfill four of the seven conditions required by moral theologians to justify defensive war. Such a war under such circumstances would be fought in a just cause, it would be waged by lawful authority, the intention of the authority declaring war would be just, and defensive war of this sort would be the only means available of checking the injustice of the aggression. Few would disagree with Mr. Watkin on any of these points.

There remain three further conditions which must be fulfilled if a defensive war of this nature is to be morally justified. In the first place, only right (i.e. moral) means may be employed by the just defendants. Secondly, there must be a reasonable hope of success (victory). Lastly, the good likely to be achieved by victory must outweigh the evil which war will bring in its train. Mr. Watkin denies that modern nuclear war is capable of fulfilling any of these conditions. His statement is clear and forthright: "Certain evil outweighing possible good, no reasonable prospect of victory for either combatant, the employment of immoral means, these certain characteristics of a war fought with nuclear weapons are evident breaches of three traditional conditions of justifiable war." Mr. Watkin's point of view merits consideration because it is representative not only of other contributors to this symposium, but of a not inconsiderable body of opinion in this country today. Our critique is best made by giving separate consideration to each of the conditions of a just war, which Mr. Watkin regards as incapable of fulfilment in an age of nuclear weapons.

The Conditions of a Just War

The first is that only morally legitimate means may be used against an unjust aggressor by the just defendant. In other words, he may not use his weapons directly against the innocent inhabitants of an aggressor country. It is one thing to kill the innocent indirectly as the result of a direct and legitimate attack on the guilty. It is quite another to attack the innocent directly as a means of defeating the guilty. That is immoral and the reason is clear. The Catholic doctrine of legitimate self-defence is founded on the supposition that the defendant is being unjustly attacked. He may shield himself, in consequence, only by attacking those who are guilty of the unjust aggression. The innocent inhabitants of the aggressor

*1. Cf. his article "God, Man and Nuclear War," in Theological Studies, March 1959.

Editor: Rev. Hubert F. Schiffer, S.J.
Assoc. Director, Institute of Social Order
Loyola University, New Orleans 18, La.

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* Subscription: $1.00 a year ($1.50 foreign). Single copy: 10¢ (incl. postage) *

country have had no part in it. Therefore, they may not be directly attacked. If I understand him aright, Mr. Watkin's point is that nuclear weapons of war are of such a nature that they are indiscriminate in their effects. That is to say, their use in all circumstances involves the direct killing of the innocent. Consequently, modern nuclear war, which relies on their use, is immoral. The same would seem to be the opinion of Fr. Francis Stratmann, O.P. Dom Bede Griffiths comes close to it when, in his own most thoughtful essay, he writes: "The means of destruction have become so indiscriminate and their effects so far out of proportion to any conceivable 'just' end, that the whole concept of a 'just war' seems to be imperilled." Count Michael de la Bedoyere, in his Introduction to this symposium, confesses that he has been much impressed by Mr. Watkin's argument.

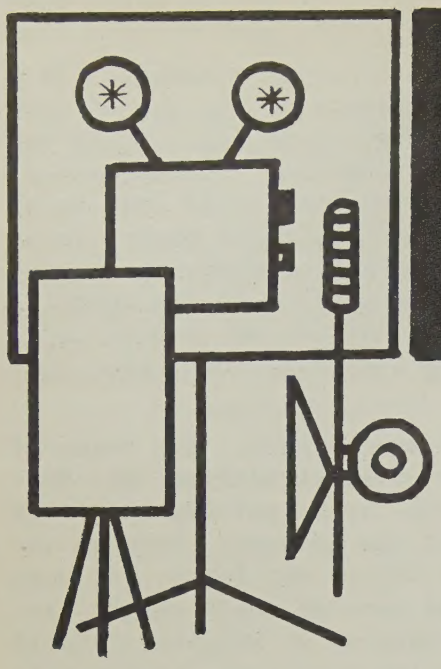
Despite this weight of opinion I find myself quite unconvinced. The terms of the argument are too sweeping. Its fault lies in its lack of qualification. Mr. Watkin would seem to assume that the use of nuclear weapons by a just defendant is necessarily to be identified with the direct massacre of the innocent through the indiscriminate hydrogen bombing of an unjust aggressor's cities and towns. It need not be, for there are now in existence controlled nuclear devices which can be restricted to military targets. At the same time, one can conceive of military targets on which a certain type of nuclear bomb could be used whilst remaining discriminate in its effects: such, for example, could be a fleet at sea. One concludes, contrary to Mr. Watkin, that nuclear war is not necessarily indiscriminate war and that, in consequence, the use of nuclear weapons by a just defendant is not necessarily immoral. The conclusion is reinforced by some words spoken by Pope Pius XII to the World Medical Congress as long ago as 30 September 1954: "One cannot, even in principle, raise the question of the liceity of ABC (atomic, bacteriological, chemical) warfare except in the case in which it must be judged indispensable for self-defence in the conditions indicated."

Amongst the conditions enumerated by the late Holy Father are the two remaining ones which Mr. Watkin thinks of as incapable of fulfilment by the just defendant in a nuclear war. In the first place, there must be a reasonable hope of victory or, as Pius XII phrased it, "the solid probability of success." Mr. Watkin thinks it no longer possible for a just defendant to think in terms of this condition: "What hope of victory can there be," he asks, "in a war which, even in the present development of nuclear weapons, must prove the mutual suicide of both parties?" Mr. Christopher Hollis would seem to agree with him: "Whatever emerges from a new international war, nothing remotely like any of the institutions that began that war would emerge. It is therefore absurd to invoke the argument of self-defence, because self-defence in international affairs means the defence of institutions, and the institutions would be committing suicide by going to war."

It is hollow to talk of victory when victory means annihilation. Need it do so however? At this point, the argument is best referred back to the point already made, namely, that nuclear weapons are not necessarily indiscriminate. Hence, nuclear war need not necessarily end in annihilation. Hence, there are circumstances in which a just defendant can be thought of as having a reasonable hope of success. At this stage, we are content to prove no more than that. It is sufficient, I think, to refute Mr. Watkin's rather too sweeping generalisation.

One may ask, moreover, what is meant by the success of the just defendant. Is it to be confined merely to victory, to the successful repelling of an unjust aggression? The answer takes us into a consideration of the last of the traditional conditions for a just war, which Mr. Watkin regards as incapable of fulfilment in a nuclear age. It is that the good to be achieved by victory must outweigh the evil which war will bring in its train. Mr. Watkin denies that it can do so. In his view, the massacre and devastation of nuclear warfare, which he identifies with its assumed indiscriminate nature, are bound to be such as to outweigh any good which victory might bring to the just defendant: "What good, even freedom from the tyranny of the Communist state, could outweigh the evil effects, not merely probable but certain, of a war waged with such weapons,

(Continued on Page 15)



THE IMAGE INDUSTRIES

We have always been concerned over the question of monopoly. Our anxieties should be most acute when their object becomes the mass media, because the movie and TV industries are influencing the very depth of our souls. The issue is the increasingly centralized management of the imagination of a whole nation.

The following excerpt is reprinted with permission from the book THE IMAGE INDUSTRIES, by Rev. William Lynch, S.J., copyright 1959 Sheed and Ward, New York, N. Y., p. 56 ff. (See footnote.)

The Soul-Shapers

Manipulation, or exploitation, is a way of encountering the interior structure of man which is increasingly typical in our culture. I do not think the people really like what they are given, but there is in them a strong instinctive wish to be told what to like. That is particularly true of those who now buy about 70% of the movie tickets in this country - the teen-agers, who underneath their rebellion are at the same time living through the most conforming phases of human life.

The Defense of Man

We are dealing with a question of the largest national moment when we talk of the present and future state of the mass media among us. We have arrived at a great crisis in our history. Those who wish to live with the ostriches and to deny this fact are free to do so, but whatever history lies ahead of us will put them down as children for their denial. We are a great people, capable of very great things, but the fact is that the truth of what is being asked of us is being concealed from us

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SOCIAL ACTION DIGEST readers will be happy to hear of the recent announcement by Dan Herr, President of the Thomas More Association, that Sheed and Ward, Inc. will receive the 1959 Thomas More Medal for "the most distinguished contribution to Catholic publishing in 1959." The medal, honoring Sheed and Ward for its publication of THE IMAGE INDUSTRIES, will be presented on May 1, 1960, in Chicago.

In citing Father Lynch's book, the Association stated that "THE IMAGE INDUSTRIES has been hailed by critics, reviewers, scholars, educators, artists and by responsible persons within the communications industries as an original, positive and sorely needed exposition of both the basic problems and basic principles involved in the production of modern communications and entertainment. Writing as a creative theologian, Father Lynch showed how timeless Christian principles can be applied with dynamic and illuminating effect to complex contemporary questions."

SOCIAL ACTION DIGEST was among the first to call attention to this great book by printing its first excerpt of THE IMAGE INDUSTRIES in October 1959: "Fantasy and Reality." We congratulate Sheed and Ward for this well-merited honor.

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in very large measure. We are engaged with a great enemy, and we will find ourselves increasingly engaged in every corner of our souls. The conflict is more than military and economic. It is and will be primarily intellectual and spiritual. It will be ultimately a conflict between two states of the imagination. If we consent to a mediocre and contemptible state of the national imagination, we may have allies for a battle but not for the campaign of perhaps the next hundred years that lies ahead of us. We are already at war, but it is the first war in human history that must be fought everywhere. The responsibility of our mass media within this engagement is so great that it is almost incalculable, so powerful is their control over our most intimate and everyday images and, therefore, over our final attitudes and decisions.

It is doubtful whether the present commercial masters of these media will live up to that responsibility unless the most valid and most powerful pressure, not of the "censor," but of the national intelligence is brought to bear against them. I have suggested that this kind of pressure can be brought to bear by the common sympathetic action of the critics, artists, theologians, and the universities. The issue is much too big for inaction or snobbishness on the part of any of these forces.

(The End)

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The April issue of SOCIAL ACTION DIGEST will bring you, among other excerpts:

* Personal and Social Morality ..... by John F. Cronin, S.S.
* Catholics and Urban Affairs ..... by Dennis Clark
* Socialized Education? ..... by Neil G. McCluskey, S.J.

Solange Hertz

Women, Words and Wisdom

The following excerpt is reprinted with permission from Chapter 5 of WOMEN, WORDS AND WISDOM, by Solange Hertz, published by The Newman Press, Westminster, Md., 1959. Friends, it's a delightful book! Your $3.50 investment will tickle your funnybone and strengthen your spiritual backbone.

SOME GOOD MUTTERS

As the gambler said, "I know it's crooked, but it's the only game in town!"

A housewife may not particularly want to be holy, but what else on earth is there for her to do? In itself, a duller and more pointless existence than hers can't be imagined - unless she's headed for Heaven. And she's got to head for Heaven, because no housewife in her right mind would want worse than she's got already, in the other place.

Our Lord said very clearly, "You therefore are to be perfect, even as your heavenly Father is perfect" (Matt. 5:48), which is such an outrageous command on the face of it, that if we hadn't gotten used to hearing it, we could hardly stand it. He didn't say this, moreover, to a select little coterie in a small room. The Gospel tells us He said it to a crowd out in the open, for anybody who cared to listen.

There being little choice in the matter, as the gambler said, we might as well settle down to winning the game, if possible. And the game really is crooked. God stacks the deck in our favor to a degree few gamblers would dream of.

First of all, I understand you have to have a slogan, some little catchphrase that will cheer you up and keep you playing when you don't seem to be getting the cards. Our encyclopedia says a slogan is "a word or phrase designed to persuade people to take some action." It must work. "Tippecanoe and Tyler too" certainly elected Tyler all right.

Of course dignified people don't have slogans. They have "mottoes." Why a motto is more uppity, I don't know. The word comes from the corrupted Latin muttum, which means mutter or grunt. It is presumably something you gasp out in desperation when the going gets really rough, like Sir Jacob Astly before going into battle: "Lord, I'll probably forget You, but don't You forget me!" So it really doesn't matter whether you call it slogan or motto. Just have one!

Popes, bishops, abbots and other prelates, who often have a very rough time of it, choose a motto suitable for their coats-of-arms, or devices, when they are elated to office. St. Pius X chose "To Restore All Things in Christ." St. Joan settled all her problems with Dieu le Veut - God Wills It - because that settles anything. Janet Erskine Stuart, a great Mother General of the Society of the Sacred Heart, thought up oodles of good mottoes. One was taken from a poem about a sinking ship:

As the screws said to the rivets,
"In case of doubt, HOLD ON!"

This is a peachy one, I think, a real muttum, comparable in its lowly way to the Church's "Domine ad adjuvandum me festina!" It's good for anything from a wobbling vocation to soap in your eyes.

(Continued on Page 7)

Why I Swear

1. It pleases my mother.
2. It is a fine sign of manliness.
3. It proves I have self control.
4. It indicates how clearly my mind operates.
5. It makes my conversation so pleasing to everybody.
6. It leaves no doubt in everyone's mind as to my good breeding.
7. It impresses people that I have more than an ordinary education.
8. It is an unmistakable sign of culture and refinement.
9. It makes me a very desirable personality among women, children, and respectable society.
10. It is my way of honoring God.

PS: The editor wants to thank the president and the members of the Pennsylvania Railroad Holy Name Society for letting our readers know how to please their mothers, etc.

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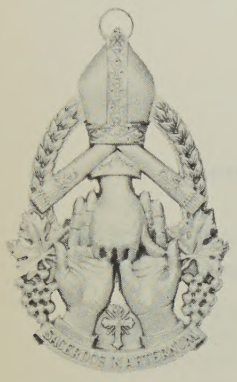

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Nihil Obstat: Alfred R. Julien
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Imprimatur: ✠Richard J. Cushing
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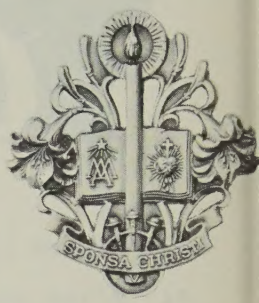
The Book signifies the Holy Rule. Upon its open pages are depicted the chief sources of the interior life of the Spouse: the sacred humanity of Christ, symbolized by His Sacred Heart; and the Motherhood of Mary, the Star of the Sea of Life. Enveloping the whole is a wreath of lilies.

Thus in joyous generosity does she embark on her life of loving union with her Lord; she: Sponsa Christi.

Nihil Obstat: Francis J. Sexton
Diocesan Censor Deputatus

Imprimatur: ✠Richard J. Cushing
Archbishop of Boston

For the MOTHER or SISTER of a NUN



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It's a good frame of mind for approaching all situations where the job seems too big, but inescapable, like being asked to sell kisses at the bazaar, or te Be Perfect. Oh, well, you say, "I yam what I yam. I'll do the best I can and let the chips fall where they may."

I have a variation on this. It's "Be a Cactus!" It owes something to the slogan St.Bernard gave his monks, "Be ye cisterns," but not much. St.Bernard told them to be cisterns because cisterns are deep, cool and quiet, unlike babbling brooks and leaky faucets, and they store water from which others may draw at any time without becoming depleted themselves. It's the apex of contemplative apostolicity. I simply haven't reached this stage.

"Be a Cactus" was my husband's idea, and I have a feeling it wasn't meant to be a compliment. "Look," he said, "go ahead and get the works of Tertullian if you want them, and don't worry about not liking to do the ironing plain. Some women may actually like to iron and want nothing else, but who cares if you don't? Stop trying to be a lily, or a shrinking violet, or a night-blooming cereus! If you happen to be a cactus, Be a Cactus!"

My husband isn't the voice of authority for nothing. He's written more of this book than he'll ever know. Nobody ever sizes me up so well, to my face. Frankly, though, after the first shock to my pride, I liked this slogan. The more I thought about it, the more "Be a Cactus" seemed to be just the one for me. I would try to be God's little cactus!

Just think a minute about the cactus. If you had never seen one or a picture of one and somebody described it to you, you might want to call him a liar. A cactus has to be seen to be believed. What's more, there are some thousand varieties, all

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native to the New World, all growing in incredible shapes ranging from "Organ-Pipe Cactus" to "Bishop's Hat" and "Purple Hedgehog." I forebore telling my husband the night-blooming cereus is a cactus, because I didn't know it then either. Like the Carmelites, it wakes up in the middle of the night to give glory to God. Being a cactus gives you a very wide field of play.

It's also tough. It normally stands out in the open, completely exposed, but protects itself quite well, thank you, by virtue of its bristles and spines. I have a sneaking suspicion it was this prickly aspect my husband had particularly in mind, but to continue: the cactus is a desert plant and needs practically nothing for its support. That's because its roots spread very, very far and it catches every little bit of food and moisture that's to be had. It manages to stay green where everything else dries up and blows away. Definitely, its leaf does not wither.

Most remarkable of all, it manages to produce outlandishly beautiful blossoms just where you'd expect them least: from the same places the bristles grow. Sometimes these blossoms turn into fruit, some of which makes pretty good preserves. As well as any cistern, the cactus manages to store water in its insides which has saved the life of many a parched traveller and is the ordinary refuge of all kinds of small animals and wildlife. Big cactuses provide about all the shade there is in open desert. Some are edible. Others can be dried and used for fuel and frames for houses.

Smaller ones can thrive in hothouses, or like the housewife, in almost any house, growing on windowsills even when nobody remembers to water them. I'll leave you to draw all the other obvious analogies.

Definitely, I promised, I'll try to BE A CACTUS! (The End)

Fifty Years of Credit Union Operations

by RONALD M. GARDNER*

This year—a half century after the passage of the first State credit union law and 25 years after the Federal Credit Union Act was adopted—saw the enactment by Congress of major changes (Public Law 86–354) in the Federal law. The double anniversary and the sweeping revisions made by the 1959 amendments make appropriate at this time a brief review of the progress made by credit unions in this country during the 50 years 1909–59.

THE credit union movement in the United States had its beginnings in 1909, when Massachusetts enacted the first State credit union legislation. From that year to 1934, when the Federal Credit Union Act was passed, similar laws were adopted in 38 States and by Congress for the District of Columbia. Today more than 19,000 credit unions—chartered under Federal or State laws—are in operation and have 11 million members. State-chartered credit unions are operating under the laws of 44 States, the District of Columbia, and Puerto Rico. Federal credit unions, chartered under the Federal law, are active in all 50 States, the Canal Zone, the District of Columbia, Puerto Rico, and the Virgin Islands. Although the various laws are practically identical in some respects, such as the definition of a "credit union," they differ widely in others—for example, the provision for supervision of the credit unions.

The First 25 Years

In the first few years of the credit union movement, development was slow and largely concentrated in a few States or among groups in certain occupational categories. Passage of the Massachusetts law was partly the result of the missionary work of Edward A. Filene, of Boston, who began to work for the promotion of credit union laws and the organization of credit unions early in the 1900's. In 1921 he established the Credit Union National Extension Bureau for this purpose. The Bureau campaigned actively from 1921 to 1934 for Federal and State legislation for the chartering of credit unions.

During these first 25 years, credit unions were organized in all parts of the country, but no overall plans existed for gathering information on their activities. Such information as was available came from periodic reports in the States that required such reporting. Comparable statistics on such key factors as rate of growth, liquidations, and dividends paid were practically nonexistent. Not until 1931 were data available on the total assets, membership, and number of active credit unions. These data, collected by the Bureau of Labor Statistics of the Department of Labor, show that by the end of 1931 about 1,500 credit unions were in operation; in the 1,244 credit unions that reported such information, assets totaled $33.6 million, and membership exceeded 286,000.

To overcome the lack of coordination, credit union leaders from all parts of the United States met in August 1934 to form a national association of credit unions. Their specific goals were to (1) promote the organization of new credit unions, (2) perfect legislation, (3) improve operating methods and techniques, and (4) coordinate and direct the efforts of all credit unions in their primary objective—the elimination of usury in the personal finance field. As a result of the meeting, the Credit Union National Association was formed as a nonprofit, self-supporting, working organization of credit unions. The association continues to work for the objectives defined at the preliminary meeting. Leagues of credit unions in the various States make up the membership, and their dues finance the work of the association.

Despite the lack of adequate data on the operations of the credit unions as a whole during the first 25 years, some information has been compiled for those in the pioneering State of Massachusetts.[1] The data, even though limited to operations in only one State, shed considerable light on the growth of credit unions during the earliest years of the movement. Both savings and lendings activities in Massachusetts reached a peak in the late 1920's and then tapered off, as shown in table 1, until the passage of the Federal Credit Union Act in 1934. At the time the Federal legislation was introduced, there were about 2,350 credit unions in operation in the United States, with combined assets of about $50 million. They were serving some 450,000 members and making loans amounting to about $65 million annually.

The Second 25 Years

Adoption of the Federal Credit Union Act[2] ushered in a new era in credit union operations, in which both the State-chartered credit unions and those operating under a Federal charter have made phenomenal advances. Their growth has been accompanied by a continuing effort to strengthen the credit unions through improving the periodic examinations of the individual credit unions (which include advising and counseling in sound business and accounting practices), through educational programs, and through cooperative efforts by some of the large, well-established credit unions to help the newer groups.

The credit unions moved during the years 1934–59 from a period of depression into wartime conditions and then into postwar periods of inflation and recession. During World War II, despite sharp rises in the number of liquidations and substantial losses in membership, the resources of the credit unions continued

* Statistics and Reports Branch, Bureau of Federal Credit Unions.

[1] Joseph L. Snider, *Credit Unions in Massachusetts*, 1939.

[2] See Erdis W. Smith, "Federal Credit Unions," *Social Security Bulletin*, October 1948, and John T. Croteau, "The Federal Credit Union System: A Legislative History," *Social Security Bulletin*, May 1956.

Reprinted from Social Security Bulletin (U.S. Department of Health, Education and Welfare, Social Security Administration), Dec. 1959, p. 10 f.

to grow, from assets of $323 million in December 1941 to $435 million at the end of 1945. An even sharper advance was registered after the cessation of hostilities in Korea; assets doubled in the 3 years from 1951 to 1954 and again in the next 4 years. By mid-1959, there were 19,300 credit unions in operation, with total assets of approximately $4.6 billion, and membership had reached the 11-million mark.

The credit unions operating under Federal charters expanded rapidly, both in number and resources. The first Federal charter was issued on October 1, 1934, and 77 more credit unions were chartered before the end of the year. Little information is available about the first year of operation. By the end of 1935, however, 960 Federal charters had been issued, and 772 Federal credit unions holding assets of about $2.4 million were in operation. Six years later, at the outbreak of World War II, the number of active Federal credit unions had grown to more than 4,000 and their assets were in excess of $100 million. By mid-1959, it is estimated, the number in operation had reached 9,300.

The growth of the State-chartered credit unions continued, uninterrupted by the effects of the Federal law. They numbered 2,450 at the end of 1934 and an estimated 10,000 by mid-1959. State systems, which had become entrenched in a number of States, were joined by new organizations. Even today, in many States, there is a vast preponderance of State-chartered credit unions. The Federal law, of course, was not intended to set up competition between State and Federal credit unions, and chartering policies during the past 25 years have enabled prospective new groups to decide for themselves whether they preferred to organize under a Federal or a State charter.

Most of the chartering today is accomplished through the various State leagues affiliated with the Credit Union National Association. In recent years the Bureau of Federal Credit Unions — the supervisory authority for the Federal credit unions—has done little promotional work in organizing new groups but has concentrated on its primary functions of examination, approval of charter applications, and general supervision of Federal credit unions.

The provision for organization of Federal credit unions has led to greater uniformity of operations among State-chartered groups as well. Many of the accounting techniques designed for Federal credit unions, for example, have been adopted by State supervisory authorities for use among the credit unions chartered under State laws.

Trends

A trend analysis of the past 50 years of operations must be based almost entirely on the number of active credit unions. Only fragmentary data are available for the early years of credit union operations on such items as assets, shares, membership, loans made during the year and outstanding at the year's end, and dividends paid to members. The analysis that follows is thus necessarily confined to operations since the passage of the Federal Credit Union Act. Moreover, because it has not been possible to collect State statistics in the detail made possible by the uniform Federal program, the analysis must emphasize Federal operations. The discussion of the purposes for which loans are made, for example, is based exclusively on Federal data because comparable data for State-chartered credit unions are not available.

The credit unions follow much the same pattern, whether they hold a State or Federal charter. They are organized for the same basic purposes, and they are affected to about the same degree by changes in economic conditions. The credit union movement is a dynamic one, and individual credit unions, whether operating under a State or a Federal charter, must adjust to a changing, dynamic economy or fail. Thus the analysis, though based largely on Federal credit union data, has general application to State-chartered groups as well.

Number of credit unions.—In terms of the number of active units, credit unions showed a slow but continuous growth from the adoption of the first State law in 1909 to the passage of the Federal law in 1934 (table 2). A marked increase occurred after 1934 —the result not only of the addition of Federal credit unions but of increases in chartering activities among the State groups. The number continued to rise until the outbreak of World War II. During the 4 war years, the number of active groups declined, but in 1946 an upturn started that has continued without interruption, although the rate of increase has been falling off in recent years.

Assets.—Numbers alone do not reveal the full extent of growth; possibly more significant is the trend in assets. Although the rate of increase in the number of credit unions indicates the extent to which new groups are added over and above those that cease operations through liquidation, the trend in assets takes into account the added factor of age. The size of a credit union is, as might be expected, closely associated with age. Because there is no legal limit on capitalization, there is no limit—in theory at least—on the total resources a credit union may hold. Some practical limitations operate, however, to control the size of a credit union. Perhaps the most important are (1) the potential membership, which is restricted by the field of membership specified in the credit union's charter, and (2) the maximums on sav-

Table 1.—*Credit union operations in Massachusetts, selected years, 1909–34*

Item	1909	1914	1919	1924	1929	1934
Number of credit unions	[1] 1	45	61	89	299	305
Number of members	------	6,149	22,987	50,849	107,044	109,434
Number of borrowers	------	2,109	7,872	19,993	52,853	55,417
Total assets	------	$269,431	$2,769,948	$7,460,810	$16,153,521	$12,575,661
Value of shares:						
Amount	------	177,657	1,372,322	3,777,918	10,261,960	7,107,920
Average per member	------	29	60	74	96	65
Total loan balance	------	224,360	2,295,832	5,706,018	12,628,949	8,752,279
Average amount of loan	------	106	292	285	239	158

[1] Chartered but did not start operations.

Table 2.—*Number of credit unions, 1909–59*

Year	Total	State [1]	Federal
1909	1	1	----
1910	2	2	----
1911	17	17	----
1912	26	26	----
1913	34	34	----
1914	47	47	----
1915	62	62	----
1916	91	91	----
1917	110	110	----
9118	118	118	----
1919	141	141	----
1920	167	167	----
1921	190	190	----
1922	240	240	----
1923	290	290	----
1924	350	350	----
1925	419	419	----
1926	500	500	----
1927	600	600	----
1928	750	750	----
1929	974	974	----
1930	1,200	1,200	----
1931	1,500	1,500	----
1932	1,612	1,612	----
1933	2,016	2,016	----
1934	[2] 2,500	2,450	[2] 50
1935	3,372	2,600	772
1936	5,241	3,490	1,751
1937	6,105	3,792	2,313
1938	7,059	4,299	2,760
1939	7,964	4,782	3,182
1940	9,023	5,267	3,756
1941	9,891	5,663	4,228
1942	9,767	5,622	4,145
1943	9,223	5,285	3,938
1944	8,808	4,993	3,815
1945	8,680	4,923	3,757
1946	8,764	5,003	3,761
1947	9,000	5,155	3,845
1948	9,331	5,273	4,058
1949	9,922	5,427	4,495
1950	10,586	5,602	4,984
1951	11,279	5,881	5,398
1952	12,287	6,362	5,925
1953	13,674	7,096	6,578
1954	15,041	7,814	7,227
1955	16,193	8,387	7,806
1956	17,251	8,901	8,350
1957	18,198	9,463	8,735
1958	18,824	9,794	9,030
1959	[2] 19,700	10,200	[2] 9,500

[1] Data for 1909–20 from Edson L. Whitney, *Cooperative* Credit Societies (*Credit Unions*) *in America and Foreign Countries*, Bureau of Labor Statistics Bulletin No. 314; for 1921 from Credit Union National Association, *The Credit Union Yearbook*, 1958 (p. 22); for 1925, 1929, and 1931–58 from Bureau of Federal Credit Unions, *State-Chartered Credit Unions in 1958;* for other years estimated.

[2] Estimated.

ings, imposed by the directors of some credit unions in the form of ceilings on the amount any one member may save in a month, or on the aggregate amount he may save, or some combination of these two restrictions.

The real growth in assets began after World War II. The total amounted to $500 million in early 1947; it doubled in about 3½ years and passed the billion-dollar mark late in 1950. In another 3½ years total assets again doubled and amounted to $2 billion in mid-1954. Although the rate of increase was slowed somewhat by the recession that began in the summer of 1957 and carried over into 1958, total assets held by credit unions again doubled in the 4 years from June 1954 to June 1958 and amounted to almost $4.6 billion by mid-1959.

Loans to members.—One of the purposes of the credit unions is to make loans to members for provident and productive purposes. In the original Federal law, provision was made to limit unsecured loans to $50; amendments increased the maximum to $100 in 1940, $300 in 1946, $400 in 1949, and $750 in 1959. When the limit was raised to $400 in 1949, the average loan made by Federal credit unions was $260. By 1958 the average loan—secured and unsecured—had increased to $535.

During these years the purposes for which credit union members borrow have been shifting. The trend has been from the small, short-term remedial loan to the longer-term loan for the purchase of consumer durable goods. A study by the Bureau of Federal Credit Unions made in 1948 revealed that 7½ percent of the loans made were for the purchase of automobiles; a later study showed that 13.1 percent of the loans made in 1956 were for the purchase of automobiles and summarized other indications of the change in reasons for borrowing, as follows:

The shift towards purchase of hard goods was accompanied by a corresponding shift away from the remedial type of loan. Medical, hospital, and dental expenses, for example, accounted for less than 10 percent of the loans made in 1956; eight years earlier, more than 15 percent of the loans were made for such purposes. In 1948, about 16 percent of the loans were made for the purpose of paying current living expenses; by 1956, however, loans granted for this reason had declined to only 6 percent of the total.

The growing importance of the large credit unions during this time is evidenced by the fact that more than 40 percent of the Federal credit unions in operation at the end of 1957 had assets in excess of $100,000; 10 years earlier, only 13.7 percent of the Federal groups were of this size. At the end of 1947, only 0.2 percent of the Federal groups had more than $1 million in assets; at the end of 1957, 3.9 percent were in this category.

Credit unions (Federal and State-chartered) held $2,664 million, or 7.9 percent, of the total installment credit in the United States in December 1958. Ten years earlier they held only $334 million, or 3.7 percent of the total.

Members' shareholdings.—Not all members join a credit union for the sole purpose of borrowing. Little data are available on this point, but it is generally believed that many members are exclusively savers and rarely have need to borrow. At the other extreme are the chronic borrowers.

Characteristics of the members, including their savings and borrowing habits, is an area in which there seems to be a need for information as an aid in planning and developing the credit union program. At present, however, about the only information available is on the number of members and the amount of their savings in credit unions. No studies have been made, as far as is known, on why members save in credit unions in preference to banks, say, or the postal savings system, or on the proportion of their savings represented by credit union shares.

The growth of savings in credit unions has outpaced the rise in membership, with the result that average savings per member have increased each year since the beginning of the Federal program. From a low of $19 in 1935, the average increased to $324 in 1957 and to an estimated $350 by the middle of 1959.

Most share accounts are small, but shareholdings are concentrated in a few large accounts. A study made of the size distribution of members' share accounts as of June 30, 1953, showed that 27 percent of the savers accounted for only 1 percent of the shareholdings and that, at the other extreme, 6½ percent accounted for almost 51½ percent of the shares.

Conclusion

The prognosis for continuing growth of the credit unions is bright as these cooperative associations move for-

FIFTY YEARS OF CREDIT UNION OPERATIONS

(Continued from page 12)

ward on a solid basis founded on a half century of experience. The Federal Credit Union Act, as amended in 1959, is probably the most modern of credit union laws and will permit Federal credit unions to better serve their 5½ million members. The amendments were approved by Congress without a dissenting vote.[3]

The credit unions, having weathered the economic crises of the past 50 years, are today in a favorable position for expanding their services not only to new groups but to the existing membership as well. They will, however, be faced with an increasing demand for larger loans as the cost of goods and services continues to climb and consumer buying habits continue to shift toward purchase of durable goods. The present distribution of members' savings accounts, with its preponderance of large accounts held by relatively few members, might lead to future difficulties for some credit unions unless action is taken to encourage systematic savings by a larger proportion of the membership.

The anticipated growth in the credit unions will also result in a corresponding increase in the need for information about many aspects of credit union operations for which there are now no data. Worthwhile studies could be made on the characteristics of the membership as well as on management problems, loan policies, the effects of changing industrial composition, and the like. Comparison of the growth of Federal credit unions and State-chartered organizations should be made to ascertain the effects the different provisions of the various State laws and the Federal law have, for example, on lending and savings policies and administrative costs. Information derived from studies of this sort should prove of great value in guiding credit union officials in planning a long-range program for the credit unions of tomorrow.

[3] For a brief summary of the legislation, see the *Social Security Bulletin*, November 1959, page 1.

"A Fair Share for Every Child"

by Citizens for Educational Freedom, 3109 So. Grand Blvd., St. Louis 18, Missouri

On February 4, the Senate passed the amended McNamara-Hart Bill, providing almost two billion citizens' tax dollars to the states for use only in public schools and for public school teachers' salaries. The school-age population (5-17 years) will be the base for determining the amount of aid to be sent each state. This includes all children, regardless of school attended. But the money will go only to the public schools. This discriminatory bill ignores the civil rights of six million American students and their parents, and confirms their status as second class citizens.

"Citizens For Educational Freedom" is a non-sectarian organization open to all who believe in the natural and constitutional right of parents to direct and control the education of their children. It is committed to the principle of freedom of choice in education.

What Is Freedom of Choice in Education?

This is the freedom of parents to send their children to any approved school, public or independent, without suffering the loss of tax-provided educational benefits. Many people say we already have a choice. "If you don't want to send your child to the public school, you can choose to send him to Country Day School or St. Monica school or Trinity Lutheran school." On the face of it this reply sounds reasonable. But on closer examination we see that such a choice carries with it a penalty - the denial of all tax-provided educational benefits. This is a penalty imposed on the choice of an independent school. Such a choice is not free. It is a choice at a price; it is the suppression of freedom of choice. Government demands the surrender of freedom of choice in education as a condition for sharing in tax-provided educational benefits. But the Supreme Court has repeatedly declared that the government cannot demand the surrender of a constitutional right as a condition for sharing in welfare benefits.

The First Amendment to the Federal Constitution guarantees freedom of mind and freedom of religion. The Fourteenth Amendment guarantees liberty to the individual person. The right of parents to direct and control the education of their children is rooted in these constitutional guarantees. When parents choose to send their children to independent schools they are exercising this constitutional right. In 1925 the U. S. Supreme Court unanimously struck down an Oregon law that suppressed this parental right.

Under the Fifth and Fourteenth Amendments every individual child has a right to share equally in all welfare benefits provided by the federal and state governments. Education is one of these welfare benefits.

When government says to parents that it will provide their children with educational benefits on condition that they will send them to public schools, government is violating the constitutional right of parents to control the education of their children. It is using economic pressure to compel them to send their children to state-controlled schools.

Why Is Freedom of Choice of Education Important ?

Freedom of choice in education is essential for the freedom of the human mind and spirit. It is also essential for the preservation of a free society. It ensures that children and students shall be free to think and believe without government restraints and controls. It renders government thought-control virtually impossible. It ensures diversity in education, thus freeing the human mind from the monopoly political control which, in the history of mankind, has always led to the suppression of the freedom to think and the freedom to believe.

We Citizens for Educational Freedom give both moral and tax support to our nation's fine public school system. We refuse, however, to surrender our constitutional right to freedom of mind and freedom of religion in the education of our children. We believe in academic freedom for all in the pursuit of knowledge. We refuse to surrender the right to equal tax-provided educational benefits for our children. We are, in a word, opposed to state monopoly in education. We believe in diversity and competition, in free enterprise in education. We believe that freedom and competition in education will ensure better schools and better students.

Church and State and Education

Separation of church and state is not violated when government gives parents direct grants to enable them to send their children to independent schools. Parents have a claim against their government for a fair share of tax-provided educational benefits. When government fulfills its obligations to parents of independent school children by giving them direct grants to pay tuition charges, it neither aids nor supports the school of their choice. It aids only the students and their parents. When government provided tuition grants to veterans who attended the 474 Protestant, the 265 Catholic and the 5 Jewish institutions of higher education, it did not aid or support these schools.

The distinction between aid to the student and his parents, and aid to the school, is good constitutional law. In the Everson case the Supreme Court, in upholding direct grants to parents who pay their children's bus fares to and from church-related schools, declared that "the state contributes no money to the schools. It does not support them. Its legislation...does no more than provide a general program to help parents get their children, regardless of their religion, safely and expeditiously to and from accredited schools."

Citizens for Educational Freedom needs and welcomes the support of all who are interested in fair play and a fair share of tax money for the education of each and every American child. Send your inquiries and comments to Citizens for Educational Freedom, 3109 So. Grand Blvd., St. Louis 18, Mo. (The End)

CATHOLICS AND ATOMIC WAR (Continued from Page 3)

wholesale massacre on a scale hitherto unprecedented, enormous devastation?" Mr.Watkin's view is clear. It is shared by many. Victory cannot be gained because nuclear war means mutual suicide. But, even if it could be gained, it would be immorally won because the devastation brought by the war that won it would outweigh the success it represented. This applies even if the success means freedom from the tyranny of the Communist state.

The Defense of Values

There are two points to make. In the first place, we have seen that we cannot exclude the possibility of a nuclear war being fought with controlled nuclear weapons, which means that we cannot exclude from a just defendant the possibility that there may exist for him a reasonable hope of success. By the same calculation, the good represented by the success could outweigh the evil brought in the train of nuclear war. But, secondly and most importantly, we must not confine ourselves to a material standard when weighing the damage brought by a just war against that which comes from permitted aggression. Moral and spiritual values must be thrown into the balance at this point. With respect to Mr. Hollis, defence in international affairs means a great deal more than "the defence of institutions." It must include the upholding of values. There are worse things than physical death and destruction, and slavery can be one of them. With respect to Mr. Watkin, I would suggest that the spiritual good represented by "freedom from the tyranny of the Communist state" is not too hardly won even at the cost of material death and destruction in nuclear form. Indeed, the primacy of the spiritual can be such as to turn failure into success, defeat into victory. A nation is not necessarily wrong if it takes up arms to defend what is, on a materialist calculation, a hopeless cause; yet knowing that its heroic and devastating defeat will enshrine forever in a world that needs them values without which no people can really live. "Lieber rot als tot" (It's better to be red than dead) was the slogan which swept through West Germany during its debate some time ago on national defence. The dilemma is a false one, put out of court not only by the possibility of controlled nuclear war; but by the fact that resolution to defend the right at all costs constitutes the strongest brake there is on unjust aggression. Relative pacifism, by contrast, reveals a weakness of which the would-be Soviet aggressor will be quick to take advantage. Resolution to withstand injustice assures him of barren victory and deters him from recourse to war. Thereby the conflict is channelled into other fields where ideals, not arms, will decide the day. Under such circumstances, truth will have its chance.

One notes, in conclusion, a curious feature of this symposium. There is only scant reference to papal pronouncements on the subject under discussion. Mr. Watkin assures us that Pope Pius XII held nuclear war in utter abhorrence. That is quite true; the late Holy Father did. But he never allowed the horror he felt at the prospect of nuclear war to weaken his regard for the rightful claims of international justice. Amongst other things his pontificate is notable for the pains he took to reiterate, in an age of nuclear weapons, the right of a just defendant, under certain stringent conditions, to take up arms against an unjust aggressor. In his 1948 Christmas Message, noting that the precept of peace itself required that peace be defended against violence, he said: "The precept of peace is of divine right. Its purpose is to protect the goods of humanity, inasmuch as they are the goods of the Creator. Among these goods there are some of such importance for the human community that their defence against an unjust aggressor is without doubt fully justified." Five years later, in an allocution to military doctors on 19 October 1953, he recognised "the absolute necessity of self-defence against a very grave injustice that touches the community, that cannot be impeded by other means, that nevertheless must be impeded on pain of giving free field in international relations to brutal violence and lack of conscience." Again, on 30 September 1954, in a quotation already given in this article, he noted the liceity, under certain stringent conditions, of ABC warfare used discriminately in just defence. Finally, in his Christmas Message of

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1956, written in the tragic aftermath of Hungary's revolt against tyranny, he said: "When all the possible stages of negotiation and mediation are bypassed, and when the threat is made to use atomic arms to obtain concrete demands, whether these are justified or not, it becomes clear that, in present circumstances, there may come into existence in a nation a situation in which all hope of averting war becomes vain. In this situation a war of efficacious self-defence against unjust attacks, which is undertaken with hope of success, cannot be considered illicit."

Commenting on this and other papal messages, in his article already referred to, Fr. John Courtney Murray writes: "There is no indication that this reaffirmation of the traditional principle of defensive warfare, to which Pius XII was driven by the brutal facts of international life, extends only to wars conducted by so-called conventional arms. On the contrary, the Pope extended it explicitly, not only to atomic warfare but even to ABC warfare. One cannot therefore uphold the simple statement that atomic war as such, without further qualifications, is morally unjustifiable, or that all use of atomic weapons in war is, somehow in principle, evil.

I would commend to Mr. Watkin and his friends Fr. Murray's brilliant and penetrating essay.

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